

**Holmes, Debi**

**From:** Bui, Wendy  
**Sent:** Monday, July 14, 2008 9:52 AM  
**To:** pnovak@lacobos.org; MCano@bos.lacounty.gov  
**Cc:** DeChellis, Patrick; Afshari, Shari; Maselbas, Paul; Yan, William  
**Subject:** Bd Ltr: Bus Stop Shelter Program - License Agreement with Clear Channel Outdoor, Inc

**Attachments:** BLamndagmnt5A-63885-draft.doc; amndagrt5ClearChannel-draft.doc

Our current License Agreement (for the advertising bus stop shelter program) with Clear Channel Outdoor, Inc., expires on September 10, 2008. We are requesting approval by the Board to amend this Agreement on a month-to-month basis, not to exceed 30 months beginning September 11, 2008.

On May 15, 2008, we issued a Request for Proposals (RFP) for a new contract and only received one proposal. This proposal was disqualified due to non-responsiveness; therefore, we need to resolicit the program. Although we did not receive many comments at the proposers' conference, the proposers later expressed some concerns regarding the requirements. We are currently revising the RFP in order to address these concerns. We are requesting an extension of up to 30 months to provide time for us to revise and reissue the RFP, as well as allow for a transition period (approximately 24 months) between the current licensee and successor licensee for the removal of old shelters by the current licensee and the fabrication and installation of new shelters by the successor licensee.

By amending the Agreement, Clear Channel will continue to maintain advertising bus stop shelters while we complete the solicitation process. Clear Channel will continue to pay the County 15 percent of the gross advertising revenue less agency sales commission, with a guaranteed minimum of \$100,000 per year. During the transition with the successor licensee, Clear Channel will pay the County revenue for shelters not yet removed with a guaranteed minimum payment of \$24 per shelter per month. We have also confirmed with the Assessor's Office that Clear Channel is up-to-date with paying the Possessory Interest Tax of 1.25 percent of the assessed value of the bus stop shelters.

Attached you will find the draft Board letter and draft amendment. Please let me know whether or not you have any questions regarding the proposed Board letter. We expect to include this item on the August 12, 2008, Board Agenda. Your prompt response is greatly appreciated.



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**Wendy Bui**

**Transit Manager**

County of Los Angeles

Dept of Public Works